

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 56th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN CHASE HIBBARD**, on February 17, 1999
at 8:00 A.M., in Room 437 Capitol.

ROLL CALL

Members Present:

Rep. Chase Hibbard, Chairman (R)
Rep. Kim Gillan, Vice Chairman (D)
Rep. Bob Story, Vice Chairman (R)
Rep. Gary Beck (D)
Rep. Rick Dale (R)
Rep. Bob Davies (R)
Rep. Ron Erickson (D)
Rep. Daniel Fuchs (R)
Rep. Mary Anne Guggenheim (D)
Rep. Marian Hanson (R)
Rep. Hal Harper (D)
Rep. Dan Harrington (D)
Rep. John L. Holden (R)
Rep. Verdell Jackson (R)
Rep. Scott J. Orr (R)
Rep. Bob Raney (D)
Rep. Bill Rehbein (R)
Rep. Sam Rose (R)
Rep. Trudi Schmidt (D)
Rep. Roger Somerville (R)

Members Excused: None.

Members Absent: None.

Staff Present: Donna Grace, Committee Secretary
Jeff Martin, Legislative Branch

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 540, HB 541, HB 542, SB
260, 2/15/1999

Executive Action: HB 166, HB 286, HB 787, HB 286

HEARING ON HB 540

Opening Statement by Sponsor: REP. LARRY GRINDE, HD 94.

EXHIBIT(tah39a01)

{Tape : 1; Side : A; Approx. Time Counter : 0.1 - 17.6}

Proponents' Testimony:

Dennis Burr, Montana Taxpayers

{Tape : 1; Side : A; Approx. Time Counter : 17.6 - 20.1}

Steve Turkiewicz, Montana Auto Dealers' Association

{Tape : 1; Side : A; Approx. Time Counter : 20.1 - 22.1}

Brian Cavey, Montana Motor Carriers' Association

EXHIBIT(tah39a02) **EXHIBIT**(tah39a03)

{Tape : 1; Side : A; Approx. Time Counter : 22.1 - 25}

Opponents: None

Informational Testimony:

Gordon Morris, Director, MACO

{Tape : 1; Side : A; Approx. Time Counter : 25 - 27.9}

Alec Hanson, League of Cities and Towns

{Tape : 1; Side : A; Approx. Time Counter : 27.9 - 30.4}

{Tape : 1; Side : B; Approx. Time Counter : 0.1 - 0.3}

Dean Roberts, Motor Vehicle Division, Department of Justice

{Tape : 1; Side : B; Approx. Time Counter : 0.3 - 1.6}

Brenda Nordlund, Department of Justice, **EXHIBIT**(tah39a04)

{Tape : 1; Side : B; Approx. Time Counter : 1.6 - 8.8}

Cort Harrington, Montana County Treasurer's Association

{Tape : 1; Side : B; Approx. Time Counter : 8.8 - 9}

Dave Galt, Administrator, Motor Carrier Services Division,
Department of Transportation

{Tape : 1; Side : B; Approx. Time Counter : 9 - 9.4}

Gloria Paladichuk, City of Glendive

{Tape : 1; Side : B; Approx. Time Counter : 9.4 - 11.1}

Jim Gillette, Legislative Audit Division

{Tape : 1; Side : B; Approx. Time Counter : 11.1 - 12.4}

Rep. Grinde, HD 94 **EXHIBIT**(tah39a05)

{Tape : 1; Side : B; Approx. Time Counter : 12.4 - 13.3}

Questions from Committee Members and Responses:

{Tape : 1; Side : B; Approx. Time Counter : 13.3 - 28.8}

{Tape : 2; Side : A; Approx. Time Counter : 0.1 - 13.9}

Closing by Sponsor:

Rep. Grinde closed the Hearing on HB 540

{Tape : 2; Side : A; Approx. Time Counter : 13.9 - 19.5}

HEARING ON HB 541

Opening Statement by Sponsor:

Rep. Larry Grinde, HD 94

{Tape : 2; Side : A; Approx. Time Counter : 19.5 - 19.6}

Proponents' Testimony: None

Opponents' Testimony: None

Informational Testimony: None

Jeff Martin, Staffer from Legislative Branch, said as a point of information, the view on the CI-75 provision that would allow the accelerated payment for the two-year registration and since it is not a required acceleration, this Bill, HB 541, might not be necessary.

{Tape : 2; Side : A; Approx. Time Counter : 19.6 - 20.9}

Questions from Committee Members and Responses:

{Tape : 2; Side : A; Approx. Time Counter : 20.9 - 21}

EXECUTIVE ACTION ON HB 541

Rep. Hibbard said, given the uncertainty that surrounds this issue and the fact that since they do not have an official opinion for the record in writing, he recommended the committee take action on the Bill as it can be fixed as it moves through the process, if necessary, but he would rather have it alive in the process and moving along with the Bill than on the Table or dead.

Motion/Vote: Rep. Hibbard moved HB 541 to keep Bill alive.
Motion carried unanimously.

{Tape : 2; Side : A; Approx. Time Counter : 21 - 22.9}

HEARING ON HB 542

Opening Statement by Sponsor: Rep. Larry Grinde, HD 94

{Tape : 2; Side : A; Approx. Time Counter : 22.9 - 23.1}

Proponents' Testimony: None

Opponents' Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor: Rep. Grinde closed.

{Tape : 2; Side : A; Approx. Time Counter : 23.1 - 24.4}

HEARING ON SB 260

Opening Statement by Sponsor:

Sen. William Glaser, SD 8 **EXHIBIT**(tah39a06)

{Tape : 3; Side : A; Approx. Time Counter : 0.1 - 15}

Proponents' Testimony:

Steve Turkiewicz, Montana Auto Dealers

{Tape : 3; Side : A; Approx. Time Counter : 15 - 17.2}

Dennis Burr, Montana Taxpayers' Association

{Tape : 3; Side : A; Approx. Time Counter : 17.2 - 17.7}

Opponents' Testimony: None

Informational Testimony: Dean Roberts, Administrator, Motor
Vehicle Division, Department of Justice.

{Tape : 3; Side : A; Approx. Time Counter : 17.7 - 21.1}

Brenda Nordlund, Department of Justice

{Tape : 3; Side : A; Approx. Time Counter : 21.1 - 23}

Gloria Poladichuk, City of Glendive

{Tape : 3; Side : A; Approx. Time Counter : 23 - 25.2}

Questions from Committee Members and Responses:

{Tape : 3; Side : A; Approx. Time Counter : 25.2 - 30.7}

{Tape : 3; Side : B; Approx. Time Counter : 0.1 - 13.2}

Closing Statement by Sponsor:

Sen. Glaser closed the Hearing on SB 260

{Tape : 3; Side : B; Approx. Time Counter : 13.2 - 15.8}

EXECUTIVE ACTION ON HB 166

Motion: Rep. Rehbein moved DO PASS on HB 166

{Tape : 3; Side : B; Approx. Time Counter : 20.2 - 22.1}

Motion: Rep. Rehbein moved Amendments **EXHIBIT**(tah39a07)

{Tape : 3; Side : B; Approx. Time Counter : 22.1 - 23.1}

Discussion:

Amendment 16603, EXHIBIT 7.

{Tape : 3; Side : B; Approx. Time Counter : 23.1 - 27.6}

Vote: Motion on Amendment carried 16-3 with Reps. Somerville, Rose and Harper voting no.

{Tape : 3; Side : B; Approx. Time Counter : 27.6 - 28.2}

Motion: Rep. Rehbein moved Amendments 16602 **EXHIBIT**(tah39a08)

{Tape : 3; Side : B; Approx. Time Counter : 28.2 - 28.3}

Discussion:

Amendment 16602, EXHIBIT 8

{Tape : 3; Side : B; Approx. Time Counter : 28.3 - 29.3}

{Tape : 4; Side : A; Approx. Time Counter : 0.1 - 16.7}

Vote: Motion on Amendment 16602 carried 19-1 with Rep. Fuchs voting no.

{Tape : 4; Side : A; Approx. Time Counter : 16.7 - 16.8}

Do Pass as Amended HB 166 (No Motion)

{Tape : 4; Side : A; Approx. Time Counter : 16.8 - 17.5}

Discussion:

{Tape : 4; Side : A; Approx. Time Counter : 17.5 - 18.1}

Motion/Vote: Rep. Holden moved HB 166 TABLED. Motion carried 14-6 with Reps. Story, Guggenheim, Jackson, Dale, Rehbein and Hibbard voting no.

{Tape : 4; Side : A; Approx. Time Counter : 18.1 - 18.5}

EXECUTIVE ACTION ON HB 286

Motion: Rep. Hanson moved DO PASS.

{Tape : 4; Side : A; Approx. Time Counter : 18.5 - 20.5}

Motion: Rep. Raney moved an Amendment, Page 4, lines 9, 10 and 11, "remove operation and development"

{Tape : 4; Side : A; Approx. Time Counter : 20.5 - 21.2}

Discussion:

{Tape : 4; Side : A; Approx. Time Counter : 21.2 - 25.9}

Vote: Motion passed unanimously.

{Tape : 4; Side : A; Approx. Time Counter : 25.9 - 26}

Motion/Vote: Rep. Raney moved 2nd Amendment. Motion passed unanimously.

{Tape : 4; Side : A; Approx. Time Counter : 26 - 26.4}

Motion: Rep. Rehbein moved Amendment **EXHIBIT**(tah39a09)

{Tape : 4; Side : A; Approx. Time Counter : 26.4 - 27.2}

Discussion:

{Tape : 4; Side : A; Approx. Time Counter : 27.2 - 29.5}

{Tape : 4; Side : B; Approx. Time Counter : 0.1 - 11}

Rep. Rehbein said he would consider striking the last part of the sentence and insert " bureau of economic conditions research the University of Montana."

{Tape : 4; Side : B; Approx. Time Counter : 11 - 11.5}

Discussion:

{Tape : 4; Side : B; Approx. Time Counter : 11.5 - 12.7}

Rep. Rehbein withdrew the amendment and proposed the original Amendment.

{Tape : 4; Side : B; Approx. Time Counter : 12.7 - 12.9}

Vote: Motion on original Amendment failed 5-15.

Motion: Rep. Rehbein moved Amendment 28602 **EXHIBIT**(tah39a10)
{Tape : 4; Side : B; Approx. Time Counter : 12.9 - 13.9}

Discussion:

{Tape : 4; Side : B; Approx. Time Counter : 13.9 - 18.1}

Vote: Motion on Rehbein Amendment 28602 failed 7-13
{Tape : 4; Side : B; Approx. Time Counter : 18.1 - 19.2}

Motion: Rep. Somerville offered a Conceptual Amendment.
{Tape : 4; Side : B; Approx. Time Counter : 19.2 - 20.2}

Discussion:

{Tape : 4; Side : B; Approx. Time Counter : 20.2 - 24.7}

Vote: Motion on Somerville Amendment failed 5-15
{Tape : 4; Side : B; Approx. Time Counter : 24.7 - 25.6}

Discussion:

{Tape : 4; Side : B; Approx. Time Counter : 25.6 - 27}

Motion/Vote: Rep. Holden moved HB 286 Do Pass As Amended
Motion failed on a 10-10 tie vote.
{Tape : 4; Side : B; Approx. Time Counter : 27 - 28.6}

Substitute Motion/Vote: Rep. Dale moved to TABLE HB 286. Motion
carried 11-9.
{Tape : 4; Side : B; Approx. Time Counter : 27.4 - 29.1}

Motion/Vote: Rep. Erickson moved to TABLE HB 287. Motion
carried unanimously.
{Tape : 5; Side : A; Approx. Time Counter : 0.1 - 1}

EXECUTIVE ACTION ON HB 273

Motion: Rep. Raney moved DO PASS. **EXHIBIT**(tah39a11)
EXHIBIT(tah39a12)
{Tape : 5; Side : A; Approx. Time Counter : 1 - 1.1}

Discussion:

{Tape : 5; Side : A; Approx. Time Counter : 1.1 - 2.8}

Motion: Rep. Raney moved a Gray Bill and Amendments
EXHIBIT (tah39a13) **EXHIBIT** (tah39a14)
{Tape : 5; Side : A; Approx. Time Counter : 2.8 - 3.4}

Discussion:

{Tape : 5; Side : A; Approx. Time Counter : 3.4 - 5.4}

Motion: Rep. Raney moved and explained Amendment #3
{Tape : 5; Side : A; Approx. Time Counter : 5.4 - 7.9}

Discussion:

{Tape : 5; Side : A; Approx. Time Counter : 7.4 - 18.1}

Vote: Motion on Raney Amendment #3 passed 14-6 with Reps.
Holden, Rose, Somerville, Rehbein, Hanson and Hibbard voting no.
{Tape : 5; Side : A; Approx. Time Counter : 18.1 - 19}

Motion/Vote: Rep. Raney moved and explained Amendment #4.
Motion on Raney Amendment #4 passed 17-3 with Reps. Somerville,
Rose and Hanson voting no.
{Tape : 5; Side : A; Approx. Time Counter : 19 - 20.0}

Motion/Vote: Rep. Raney moved and explained Amendment #5.
Motion on Raney Amendment #5 passed 17-3 with Reps. Somerville,
Rose and Hanson voting no.
{Tape : 5; Side : A; Approx. Time Counter : 19.1 - 21.8}

Motion/Vote: Rep. Raney moved and explained Amendment #6.
Motion on Raney Amendment #6 passed unanimously 20-0
{Tape : 5; Side : A; Approx. Time Counter : 21.8 - 22.1}

Motion/Vote: Rep. Raney moved and explained Amendment #7.
Motion on Raney Amendment #7 passed 14-6 with Reps. Rehbein,
Somerville, Rose, Holden, Dale and Hanson voting no.
{Tape : 5; Side : A; Approx. Time Counter : 22.1 - 23.1}

Motion: Rep. Raney moved and explained Amendment #8.
{Tape : 5; Side : A; Approx. Time Counter : 23.1 - 25.5}

Discussion:

{Tape : 5; Side : A; Approx. Time Counter : 25.5 - 26.4}

Vote: Motion on Raney Amendment #8 failed 8-11.
{Tape : 5; Side : A; Approx. Time Counter : 27 - 27.4}

Motion/Vote: Rep. Raney moved an Amendment to reduce \$700,000 to \$150,000. Motion on Amendment passed 15-5 with Reps. Somerville, Hibbard, Rose, Jackson and Harper voted no.
{Tape : 5; Side : A; Approx. Time Counter : 27.4 - 27.8}

Motion/Vote: Rep. Raney moved and explained Amendment #9. Motion on Amendment #9 passed 15-5 with Reps. Holden, Rose, Jackson, Somerville and Rehbein voting no.
{Tape : 5; Side : A; Approx. Time Counter : 27.8 - 30.3}

Motion: Rep. Raney moved and explained Amendment #10 and then moved to amend the Amendment to change the \$5,000 to \$15,000.
{Tape : 5; Side : A; Approx. Time Counter : 30.3 - 30.6}

Discussion:

{Tape : 5; Side : B; Approx. Time Counter : 0.1 - 7.0}

Vote: Motion on Raney Amendment to change amount passed 17-3 with Reps. Somerville, Rose, Holden voting no.
{Tape : 5; Side : B; Approx. Time Counter : 7 - 7.7}

Vote: Motion on Amendment #10 passed 17-3 with Reps. Somerville, Rose, Holden voting no.
{Tape : 5; Side : B; Approx. Time Counter : 7.7 - 8}

Motion/Vote; Rep. Raney moved and explained Amendments 11,12,13,14. Motion passed with Reps. Somerville, Rose and Holden voting no.
{Tape : 5; Side : B; Approx. Time Counter : 8 - 8.5}

Motion/Vote: Rep. Raney moved and explained Amendment #15. Motion passed 16-4 with Reps. Rose, Holden, Somerville and Hanson voting no.
{Tape : 5; Side : B; Approx. Time Counter : 8.5 - 8.7}

Motion: Rep. Raney moved and explained Amendment #16.
{Tape : 5; Side : B; Approx. Time Counter : 8.7 - 16.1}

Discussion:

{Tape : 5; Side : B; Approx. Time Counter : 16.1 - 21}

Vote: Motion on Amendment #16 passed 14-6 with Reps. Holden, Rose, Harrington, Somerville, Rehbein and Hanson voting no.
{Tape : 5; Side : B; Approx. Time Counter : 21 - 21.5}

Motion/Vote: Rep. Raney moved Amendment #17, #1 and #2. Motion passed 19-1 with Rep. Somerville voting no.

{Tape : 5; Side : B; Approx. Time Counter : 21.5 - 22}

Motion: Rep. Raney moved HB 273 Do Pass as Amended.

{Tape : 5; Side : B; Approx. Time Counter : 22 - 22.2}

Motion/Vote: Rep. Fuchs moved an Amendment to strike the "planning and zoning cost", Page 4, lines 11 and 12 and lines 7 and 8 on Page 6. Motion passed 19-1 with Rep. Erickson voting no.

{Tape : 5; Side : B; Approx. Time Counter : 22.2 - 24.5}

Discussion:

{Tape : 5; Side : B; Approx. Time Counter : 24.5 - 28.5}

{Tape : 6; Side : A; Approx. Time Counter : 0.1 - 6}

Vote: HB 273 Do Pass As Amended 12-8 with Reps. Holden, Rose, Jackson, Dale, Somerville, Rehbein, Hanson and Hibbard voting no.

{Tape : 6; Side : A; Approx. Time Counter : 6 - 7}

EXECUTIVE ACTION ON HB 286

Motion: Rep. Harrington moved to reconsider HB 286 to remove from Table. Motion withdrawn.

{Tape : 6; Side : A; Approx. Time Counter : 7 - 9.4}

Announcements made by Chairman Hibbard.

{Tape : 6; Side : A; Approx. Time Counter : 9.4 - 12.1}

ADJOURNMENT

Adjournment: 12:45 A.M.

REP. CHASE HIBBARD, Chairman

DONNA GRACE, Secretary

CH/DG

EXHIBIT (tah39aad)